

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
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RECEIVED

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DIV. OF OIL, GAS & MINING

SMALL MINING OPERATIONS 2006 PROGRESS REPORT
January 1, 2006 to December 31, 2006

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: S 039 001
2. Mine Name: Trace Mine #1 - AUMCO Claim
3. Name of Operator/Permittee: Metalliferous Minerals referred to as AZOMITE®

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page to the Notice of Intention.

4. Mine Location: SW 1/4, NW 1/4, Section 4, Township 17S, Range 1W
5. Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material:

Gross Ore Mined 4,731 Tons, or _____ yd³
Waste Material Moved 0 Tons, or _____ yd³
New Disturbance 0 Acres during 2006
Area Reclaimed 0 Acres during 2006
Total Disturbed Area 4.4 Acres*

Was the ore shipped off site? If not, where is the ore located? Yes, most is shipped off site. Some is stacked in disturbed area.
Where is the waste located? Waste only generated when overburden scraped off. It goes into reclamation

*Total life of mine disturbance to the end of 2006.

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

Mining area not expanded during 2006. Normally, as new areas open, old areas are reclaimed.

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): W. Wesley Emerson
Title of Operator: President, Peak Minerals - Azomite Inc.
Signature of Operator: _____
Date: 1/30/2007